

## Message Text

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PAGE 01 SEOUL 05679 300915Z

ACTION XMB-04

INFO OCT-01 EA-10 ISO-00 EB-08 COME-00 TRSE-00 OMB-01

CIAE-00 INR-10 NSAE-00 SSO-00 NSCE-00 INRE-00

/034 W

-----104181 300918Z /21

O R 300746Z JUN 78

FM AMEMBASSY SEOUL

TO SECSTATE WASHDC IMMEIDATE 0000

INFO AMEMBASSY TOKYO

LIMITED OFFICIAL USE SEOUL 5679

E.O. 11652: N/A

TAGS: EFIN, BENC, KS

SUBJECT: SEOHAE THERMAL POWER PROJECT - EXIMBANK PRELIMINARY

COMMITMENT NO. 78-0-4156

REF: (A) SEOUL 5278 (NOTAL); (B) STATE 160637

1. AUTHORITATIVE KECO SOURCE INFORMS EMBASSY THAT ALTHOUGH JUNE 30, 1978, WAS DATE FOR ANNOUNCEMENT OF RANK ORDER OF BIDS ON SEOHAE PROJECT, IT WILL DEFER ANNOUNCEMENT UNTIL MORNING OF JULY 4, 1978, IN ORDER TO ALLOW U.S. EXIMBANK AND U.S. COMMERCIAL BANKS TO MAKE THEIR FINANCING PACKAGE FOR GENERAL ELECTRIC AND COMBUSTION ENGINEERING COMPETITIVE WITH JAPANESE TERMS REPORTED REFTEL (A).

2. BASIS FO KECO CABLE TO EXIM DATED JUNE 29 IS THAT IT PERCEIVES COMBUSTION ENGINEERING TO BE IN FAVORED POSITION EXCEPT FOR FINANCIAL TERMS. SOURCE DID NOT REFER TO PSSIBILITY OR TIMING OF DISQUALIFICATION OF FUJI DENKI. BUT HE ROUTINELY MENTIONED DESIRE FOR PRICE IMPROVEMENT ON GE TURBINE GENERATOR BIDS, EVEN WHILE ACKNOWLEDGING THAT FUJI'S PRICE IS PERHPAS HALF OF ESTIMATED COST.

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3. BASIC REASON FOR KECO'S ACTION IS THAT THERE IS A COMMUNITY OF ROK-US INTEREST BECAUSE HYUNDAI INTERNATIONAL IS ASSOCIATED WITH BOTH GE AND CE BIDS. EMBASSIES OF OTHER BIDDERS ARE PRESSING FOR KECO ANNOUNCEMENT THIS DATE.

4. ACTION REQUESTED: THAT U.S. EXIMBANK MAKE AN URGENT EFFORT TO RESCUE THIS PROJECT FOR OTHERWISE COMPETITIVE U.S. FIRMS

BY AFTERNOON WASHINGTON JULY 3, 1978 (A.M. JULY 4 SEOUL).  
ROKG BIDDING RULES AND PROCEDURES WOULD MAKE IT LEGALLY IMPOSSIBLE TO SELECT U.S. FIRMS AS RELATVIE FINANCIAL PACKAGES NOW STAND. TELEPHONIC INQUIRY TO TOKYO INDICATES GOJ UNLIKELY TO PROVIDE ANSWER TO REFTEL (B) BY JULY 3.  
STERN

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NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** THERMAL POWER PLANTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 30 jun 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978SEOUL05679  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780270-0415  
**Format:** TEL  
**From:** SEOUL  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1978/newtext/t1978063/aaaaabus.tel  
**Line Count:** 68  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** ba173a83-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION XMB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 SEOUL 5278, 78 STATE 160637  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2240736  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SEOHAE THERMAL POWER PROJECT - EXIMBANK PRELIMINARY COMMITMENT NO. 78-0-4156  
**TAGS:** EFIN, BENC, ENRG, KS, XMB  
**To:** STATE  
**Type:** TE  
**vdkvgwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/ba173a83-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014